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IN THE

Supreme Court of the United States

OCTOBER TERM, 1942

No. 602

CARON CORPORATION,

Petitioner,

against

R. K. O. RADIO PICTURES, INC.,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI TO THE APPELLATE DIVISION OF THE SUPREME COURT OF THE STATE OF NEW YORK, FIRST DEPARTMENT

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Statement of the Case

The sole question sought to be presented for determination by this Court is whether petitioner's third amended complaint states a cause of action for trade-mark infringement. On each of the seven occasions when this question was passed upon by the New York State Supreme Court, said court, applying the well established principles of law as laid down by this Court and the New York Court of Appeals (which refused a review to the petitioner), has rejected petitioner's claim that a cause of action for trade-mark infringement is made out.

Nature of the Action

The action, instituted on March 20, 1940, is one to restrain respondent from exhibiting or distributing so much of the motion picture "Primrose Path" as shows one of

the characters in the picture making a gift of a bottle of plaintiff's perfume "Fleurs de Rocaille" to another character. Petitioner alleges that the scene complained of depicts "a squalid interior in a shack" in which a "common harlot" makes a gift of plaintiff's product to her mother an ex-harlot, a hag in appearance" in the presence of the daughter's husband, "a confirmed drunkard", and "also of the daughter's two young children" (R. 18). The only identification of petitioner's perfume alleged is that petitioner's "characteristic bottle" is visible for about three minutes in one scene (R. 20).

Petitioner's contention is that this brief showing of its trade-marked product involving a contrast between "the fastidious 'Fleurs de Rocaille' perfume, associated in the minds of the public with luxury and elegance, and two repulsive characters living in squalor" (R. 19) gives rise to a cause of action for trade-mark infringement.

Although the petitioner refers to the many prior proceedings had in this action, it is obvious that the review sought must be limited solely to the judgment of the Appellate Division which affirmed the determination of the New York Supreme Court at Special Term, dismissing the third amended complaint as insufficient. We submit that no issue is presented which this court should review.

Petitioner's Statement of "the Question Presented"

Petitioner argues that the determination of the State Court raises the question of whether the owner of registered trade-marks may sue in the State Court in equity to enjoin an unauthorized use of his trade-mark where there is no trade competition. There has never been any doubt but that the State Courts will enjoin the unauthorized use

of registered trade-marks where a case of infringement is made out. The sole question which has been determined by the State Court in the instant case has been that no cause of action for trade-mark infringement has been sufficiently pleaded by petitioner. Therefore, petitioner's discussion of the remedies available under the United States Trade-mark Act of 1905 for trade-mark infringement is in no way relevant and in no way involved. The question petitioner really seeks to have this court determine is whether petitioner may maintain an action to enjoin any use of a trade-marked article even where there is no showing of an infringement of the trade-mark.

Petitioner's Pleading Fails to Satisfy the Requisites of a Cause of Action for Trade-Mark Infringement as Frequently Enunciated by This Court; No Substantial or Novel Question Is Presented Justifying a Review by This Court

Nowhere in the complaint are to be found the elements of a cause of action for even unfair competition, much less trade-mark infringement. In unfair competition and trade-mark infringement cases, injunctive relief is granted to restrain deception or passing off. The rule of such cases is, of course, limited to those situations where one business concern, whether in direct competition with plaintiff or not, adopts plaintiff's name or trade-mark as designating *defendant's* product or business. This line of cases is frequently referred to as the "passing off" or "free ride" cases, where defendant tries to sell its product as being sponsored by or produced by the plaintiff and thus tries to gain benefit from the plaintiff's good-will surrounding its name and mark.

The cases cited and relied upon by plaintiff support that rule and nothing more.

Petitioner, apparently recognizing that its complaint fails to satisfy the elementary requisites of a cause of action for trade-mark infringement or even unfair competition, so often laid down by this court, turns to cases involving Fair Trade Acts. Obviously, petitioner derives no added rights from these Acts since it in no way comes within their provisions. Thus the case of *Old Dearborn* v. *Seagram*, 299 U. S. 183, which upheld the constitutionality of the Fair Trade Act of Illinois, has no bearing on the facts of the present case, for there this Court merely sustained the contention of the manufacturer that under said Fair Trade Act the manufacturer, could by contract, control the resale price of his products.

Bourjois & Co. Inc. v. *Katzel*, 260 U. S. 689, relied upon by the petitioner, is a case of trade-mark infringement where defendant used a mark closely simulating plaintiff's on the identical product and this Court approved the "passing off" or "free ride" doctrine which has long been established in the law of unfair competition.

This Court has frequently stated the principles applicable to trade-mark infringement and unfair competition cases. Indeed, in the case of *American Foundries* v. *Robertson*, 269 U. S. 372 relied upon by petitioner in support of the writ contains the following statement:

> "The law of trade-marks is but a part of the broader law of unfair competition" (*idem.*), the general purpose of which is to prevent one person from passing off his goods or his business as the goods or business of another".

Nothing in the present complaint purports to bring petitioner within this well established rule. *Nowhere is there*

any allegation, nor indeed could there be any showing, that the use of petitioner's trade-marked perfume product in the respondent's motion picture "Primrose Path" is such a use as constitutes any deception of the public or any passing off of respondent's picture as in any way connected with petitioner or its product or its business.

Nowhere in the instant case has there ever been any contention, much less any holding, that the State Court could not enjoin trade-mark infringement and grant other broad remedies if a cause of action for such were sufficiently made out. Respondent does not quarrel with petitioner's proposition that a trade-mark owner has broad remedies in equity for trade-mark infringement. However, as pointed out above the State Court in the instant case has on several occasions held that the essential elements of a cause of action for equitable relief as laid down by the decisions of this Court are lacking in petitioner's complaint.

Conclusion

The petition for writ of certiorari should be denied.

Respectfully submitted,

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JOHN F. HARDING
Of Counsel

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PETITIONER'S REPLY BRIEF

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